

Message Text

UNCLASSIFIED

PAGE 01 EC BRU 09746 111906Z

60

ACTION EUR-12

INFO OCT-01 ISO-00 SWF-01 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-01 INR-07 NSAE-00 RSC-01 CIEP-02 SP-02

STR-04 TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 /051 W

----- 028431

R 111738Z DEC 74

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 7966

INFO ALL EC CAPITALS 140

UNCLAS EC BRUSSELS 9746

E.O. 11652: N/A

TAGS: ECON, ELAB, EEC

SUBJECT: EC REGIONAL DEVELOPMENT FUND

REF: A) PARIS 29672

B) EC A-388, 10-25-73

C) EC A-336, 8-31-73

D) EC A-310, 8-10-73

1. BEGIN SUMMARY: ALTHOUGH THE PARIS SUMMIT APPROVED THE EC REGIONAL FUND, AGREEMENT STILL HAS TO BE REACHED ON PROJECT CRITERION AND FUND ADMINISTRATION. WORK IS EXPECTED TO ACCELERATE AND HOPES ARE FOR COUNCIL AGREEMENT EARLY IN 1975. END SUMMARY.

2. NOW THAT THE PARIS SUMMIT HAS AGREED ON THE ESTABLISHMENT OF AN EC REGIONAL DEVELOPMENT FUND OF 1.3 BILLION UNITS OF ACCOUNT (\$1.573 BILLION), (SEE REF A) THERE WILL BE AN ACCELERATED EFFORT IN THE EC COUNCIL (COMMITTEE OF PERMANENT REPRESENTATIVES, COUNCIL WORKING GROUPS), TO REACH AGREEMENT ON CRITERIA FOR DETERMINING WHICH PROJECTS ARE ALIGIBLE FOR AID FROM THE FUND AND HOW THE FUND WILL BE ADMINISTERED. SEVERAL EC COMMISSION PROPOSALS COVERING THESE AND OTHER ISSUES CONNECTED WITH THE REGIONAL FUND HAVE BEEN WITH THE EC COUNCIL FOR OVER A YEAR, (SEE REFS B-D). WORK HAS UNCLASSIFIED

UNCLASSIFIED

PAGE 02 EC BRU 09746 111906Z

BEEN GOING FORWARD ON THEM BUT WE UNDERSTAND MUCH REMAINS TO

BE DONE.

3. A COMMISSION OFFICIAL WORKING ON REGIONAL POLICY TOLD US THAT THE COMMISSION HOPED THAT THE DETAILED OPERATIONAL RULES AND CRITERIA COULD BE AGREED UPON EARLY IN 1975. THESE CRITERIA WOULD GUIDE THE COMMISSION AND THE FUND COMMITTEE (MADE UP OF THE COMMISSION AND MEMBER STATES) IN ITS SELECTION OF SPECIFIC PROJECTS. A CONTACT IN THE BRITISH PERMANENT REPRESENTATION ALSO HOPED FOR RAPID COUNCIL AGREEMENT BUT NOTED THAT MUCH HARD BARGAINING COULD BE EXPECTED. AS AN EXAMPLE OF AN OUTSTANDING ISSUE, HE SAID THAT FRANCE WOULD LIKE TO LIMIT EC REGIONAL AID TO INVESTMENT PROJECTS THAT CREATE NEW JOBS WHEREAS THE UK HAS A POLICY OF AIDING FIRMS MAKING INVERSMENTS WHICH PREVENT THE ELIMINATION OF EXISTING JOBS.

4. RELATED ISSUE BEING DEALT WITH BY THE EC COMMISSION IN THE DIRECTORATE GENERAL FOR COMPETITION IS THE COORDINATION OF MEMBER STATE REGIONAL AIDS. THE COMMISSION IS DEVELOPING GUIDELINES TO LIMIT TRADE-DISTORTING EFFECTS OF REGIONAL AID, WASTEFUL SUBSIDIES, AND COMPETITIVE OVER-BIDDING FOR NEW PRIVATE INVESTMENTS. A COMMISSION OFFICIAL WORKING ON THE GUIDELINES INDICATED THAT THE COMMISSION WAS AWARE OF NATIONAL (READ UK) SENSITIVITY ABOUT BRUSSELS INTERJECTING ITSELF INTO NATIONAL REGIONAL AID PROGRAMS AND SAID THE GUIDELINES WOULD, AT THIS STAGE, BE UNOFFENSIVE. THERE IS HOPE IN THE COMMISSION THAT NATIONAL REGIONAL POLICY OFFICIALS, WORKING TOGETHER IN THE PROPOSED COMMITTEE FOR REGIONAL POLICY (SEE REF D), OVER TIME WOULD NARROW THE DIFFERENCES IN THEIR NATIONAL APPROACHES TO REGIONAL AID.GREENWALD

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, SUMMIT MEETINGS, ECONOMIC AGREEMENTS, INTERGOVERNMENTAL COOPERATION
Control Number: n/a
Copy: SINGLE
Draft Date: 11 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ECBRU09746
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740360-0332
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741244/aaaablvrl.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 74 PARIS 29672
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 12 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 JUN 2002 by colstocv>; APPROVED <15-Aug-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC REGIONAL DEVELOPMENT FUND
TAGS: ECON, ELAB, EEC
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005